

DAILY MARKETS OVERVIEW

31 OCTOBER 2018

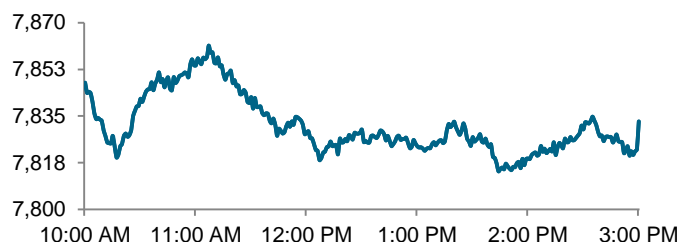
السوق الفرنسي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,833	-0.2	0.0	8.4	16.2
Saudi (NOMU)	2,560	0.0	5.7	-18.5	8.5
Energy	4,887	-0.2	4.9	14.2	16.4
Materials	5,532	-0.2	0.3	9.5	16.9
Capital Goods	4,074	0.5	3.4	-6.1	18.6
Com. & Prof. Svc	4,149	0.0	2.9	-1.4	18.2
Transportation	3,624	0.1	4.2	-9.7	19.6
Cons. Durables & Apparel	3,496	0.9	4.1	-15.6	NA
Consumer Services	3,076	1.4	4.9	-16.5	17.3
Media	11,230	0.5	1.7	45.2	NA
Retailing	6,553	0.9	3.8	16.3	32.2
Food & Staples Retailing	5,987	-1.8	4.9	6.7	24.5
Food & Beverages	4,078	1.3	0.4	-16.7	26.8
Health Care Equipment	3,653	-0.8	2.9	-17.8	17.8
Pharma, Biotech & Life Science	4,037	0.7	-0.3	1.7	26.0
Banks	7,022	-0.4	-1.9	27.6	12.5
Diversified Financials	3,347	0.3	3.9	-17.0	NA
Insurance	3,794	0.3	3.9	-19.7	30.8
Telecommunication	5,051	-1.0	-0.3	18.8	16.6
Utilities	3,328	0.4	1.9	-27.0	NA
REITs	3,611	-0.2	0.5	-22.1	NA
Real Estate	3,342	0.3	3.3	-28.9	20.1

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
MetLife AIG ANB Cooperative Insurance Co.	18.92	10.0%	8.4
Middle East Specialized Cables Co.	8.41	9.9%	29.3
Anaam International Holding Group Co.	11.08	9.9%	9.0
Saudi Fisheries Co.	19.52	9.9%	24.7
Herfy Food Services Co.	44.70	6.4%	26.2

Source: Tadawul

Latest Earnings

Company	Date	Period	Q NI (SAR mn)	Y/Y %	Q EPS (SAR)	Vs. Consensus
Alawwal Bank	30-Oct	3Q18	281.0	-22.6	0.25	MISS
Saudi Cement Company	30-Oct	3Q18	75.4	-13.7	0.49	BEAT
Eastern Province Cement Co	30-Oct	3Q18	9.0	-35.7	0.10	NA
L'Azurde For Jewelry Co	30-Oct	3Q18	3.7	637.5	0.09	NA
Bawan Company	30-Oct	3Q18	-4.1	-117.7	-0.07	NA

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of October 31, 2018
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.2% lower at 7,833 while NOMU ended flat at 2,560 on Tuesday. TASI traded value totaled SAR 3.2bn and averaged SAR 4.1bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 38.7% of the daily traded value.
- Banks and Materials closed 0.4% and 0.2% lower, respectively. Telecom closed 1.0% lower. Consumer Services (up 1.4%) was the best performer. Among stocks, MetLife AIG ANB Cooperative Insurance Co. (8011/METLIFE AB), Middle East Specialized Cables Co. (2370/MESC AB), and Anaam International Holding Group Co. (4061/ANAAM AB) led the gainers.
- According to the Saudi Arabian Monetary Authority (SAMA), KSA banks' investments in Treasury bonds increased by SAR 42.2bn (USD 11.2bn) in the first nine months of 2018. The banks' investments in Treasury bonds grew by SAR 6.0bn M/M to approximately SAR 296bn (USD 78.9bn) in September. (Source: Argaam)
- According to the Saudi General Authority for Statistics (GASTAT), the UAE accounted for around 69.3% of KSA's trade exchange with the GCC in August, which was worth SAR 4.61bn (USD 1.2bn). (Source: Argaam)
- SAMA revealed that remittances from expatriates in KSA increased marginally Y/Y in the first nine months of 2018 to SAR 104bn (USD 27.6bn) from SAR 103bn (USD 27.5bn). (Source: Argaam)
- The Cabinet stated that any company willing to obtain a license to operate telecom services in KSA should have its shares listed on local stock market. (Source: Argaam)
- Saudi Customs has signed a memorandum of understanding (MoU) with Saudi Basic Industries Corp. (2010/SABIC AB) to ease export and import procedures at Al Jubail Commercial Sea Port. (Source: Argaam)
- National Industrialization Co. (2060/NIC AB) stated that the firm has delayed the startup operations of its titanium ilmenite smelter plant due to a technical issue. (Source: Argaam)
- Middle East Paper Co.'s (1202/MEPC AB) BoD recommended a cash dividend of SAR 0.5 per share for 1H18, implying a full-year yield of 4.8%. (Source: Tadawul)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Saudi Industrial Export Co.	115.20	-7.8%	53.6
Alahli Takaful Co.	27.50	-3.5%	8.9
National Industrialization Co.	17.20	-3.2%	87.5
National Medical Care Co.	45.40	-3.0%	8.1
SWICORP WABEL REIT FUND	8.70	-2.9%	0.2

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Alinma Bank	21.66	-1.1%	528
Saudi Basic Industries Corp.	126.80	-0.3%	412
Dar Alarkan Real Estate Development Co.	9.14	0.6%	167
Saudi Cable Co.	39.65	4.1%	9
Al Rajhi Bank	87.10	-0.5%	111

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,744	1.1	0.3	-18.6	7.3
Abu Dhabi (ADX)	4,856	-0.3	-0.5	10.4	12.9
Kuwait (KSE)	5,142	0.0	0.0	0.3	15.9
Qatar (QE)	10,163	-0.3	0.1	19.2	15.1
Oman (MSM)	4,421	-0.2	-0.7	-13.3	10.2
Bahrain (BSE)	1,313	-0.2	-0.2	-1.4	8.9
DJMENA Index	557	-0.3	-0.3	5.7	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,683	1.6	0.9	0.3	19.7
US (NASDAQ 100)	7,162	1.6	-0.1	3.7	21.3
UK (FTSE 100)	7,036	0.1	1.4	-8.5	15.4
Germany (DAX)	11,287	-0.4	0.8	-12.6	13.7
France (CAC 40)	4,979	-0.2	0.2	-6.3	15.6
Russia (MICEX)	2,300	-0.7	0.3	9.0	6.2
Japan (Nikkei)	21,457	1.5	1.3	-5.7	15.5
Hong Kong (HSI)	24,586	-0.9	-0.5	-17.8	9.3
South Korea (KOSPI)	2,015	0.9	-0.6	-18.4	9.7
China (SHCOMP)	2,568	1.0	-1.2	-22.3	11.9
India (NIFTY)	10,198	-0.5	1.7	-3.2	20.8
Brazil (IBOV)	86,886	3.7	1.4	13.7	NA
Turkey (BIST 100)	90,000	-0.6	-0.6	-22.0	0.8
Egypt (EGX30)	13,155	0.6	1.0	-12.4	12.4
MSCI Emerging Markets	936	0.2	-0.3	-19.2	11.3
MSCI World	1,997	1.1	0.8	-5.1	16.8

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	75.9	-1.8	-2.2	13.5	25.5
Natural Gas (\$/mmbtu)	3.2	-0.3	-1.2	13.5	2.4
Gold (\$/oz)	1,223	-0.5	-0.8	-6.4	-4.1
Silver (\$/oz)	14.5	0.1	-1.5	-15.2	-15.6
Platinum (\$/oz)	836	0.6	0.5	-10.1	-10.4
Copper (\$/t)	6,077	-1.7	-2.1	-15.7	-11.9
Zinc (\$/t)	2,603	-2.9	-3.8	-22.0	-21.7
Lead (\$/mt)	1,916	-2.8	-3.3	-23.2	-21.9
Wheat (\$/bu)	500	-1.5	-1.1	7.3	0.1
Corn (\$/bu)	365	-0.5	-0.8	-5.0	-7.2
Sugar (\$/lb)	13.3	-1.3	-3.8	-12.4	-14.1

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.53	0.00	0.83	0.00
Saudi Arabia	2.76	0.00	0.86	0.23
UAE	2.71	0.01	0.91	0.18
Kuwait	2.06	-0.06	0.19	-0.46
Qatar	2.82	0.02	0.18	0.30
Bahrain	3.70	0.00	0.98	1.17

Source: Reuters

NOTES: (1) Prices updated as of October 31, 2018 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended in the green on Tuesday. Both S&P 500 and NASDAQ closed 1.6% higher. Dow Jones Industrial gained 1.8%. In Europe, UK gained 0.1% while Germany and France ended 0.4% and 0.2% lower, respectively.
- Asian markets are trading mixed on Wednesday. China is up 1.1%. Japan and South Korea are trading 1.7% and 0.3% higher, respectively. Hong Kong is up 0.6% while India is trading 0.7% lower.
- GCC markets ended mixed on Tuesday. Dubai gained 1.1% while Abu Dhabi closed 0.3% lower. Kuwait ended flat while Qatar closed 0.3% lower. Both Oman and Bahrain declined 0.2%.
- According to the International Energy Agency (IEA), rising oil prices are not only impacting consumers negatively but could also have adverse implications for oil producers. (Source: Reuters)
- Bahrain's Cabinet approved 100% ownership of firms offering oil spill treatment services by foreign companies and investors. (Source: Trade Arabia)
- According to the Statistics Centre of Abu Dhabi (SCAD), the government's economic diversification plan will boost the stock of AED 108bn (USD 29.4bn) foreign direct investment (FDI) inflow into Abu Dhabi and the Emirate's AED 331bn (90bn) foreign trade. (Source: Trade Arabia)
- The UAE central bank stated it had amended conditions for the transfer of retail loans from one bank to another. Banks and finance companies are obliged to reduce the profit over interest ratio and not to increase the repayment period. (Source: Reuters)
- Petroleum Development Oman (PDO) announced it has awarded a contract to build a landmark 100 MW solar photovoltaic independent power producer (IPP) project to a joint Japanese-Omani consortium. (Source: GulfBase)
- Dubai International Airport witnessed passenger traffic slowing slightly in September. The number of passengers using the airport fell by 0.2% Y/Y to 7.2mn compared to the same month last year. Cargo handled at the airport increased by 1.9% Y/Y to 221,213 tonnes. (Source: Zawya)
- Dubai Electricity and Water Authority (DEWA) awarded contracts worth AED70mn (USD 19.1mn) to several leading companies to supply 838 km of low-voltage power cables to service the expansion of the electricity distribution network. (Source: Trade Arabia)
- Dubai's Damac Properties (DAMAC UH) completed the raft foundation for Tower C of Aykon City, its 4.0mn sq. ft. development centrally located between Sheikh Zayed Rd and the Dubai Water Canal. (Source: Trade Arabia)
- Adnoc Sour Gas installed a Sulfur Remelter facility, at its Shah Sulfur granulation station, to maximize Sulfur recovery otherwise lost during normal transportation operations. (Source: Trade Arabia)

Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended October 26 (prior: 6.3mn barrels) will be announced today. (Source: Econoday)
- China's Manufacturing PMI for the month of October 2018 (prior: 50.0) will be announced today. (Source: Econoday)
- US jobless claims for the week ended October 27 (prior: 215K; consensus: 212K) will be announced tomorrow. (Source: Econoday)



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